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AZ CORP COMMISSION DOCUMENT CONTROL

DOCKET No. T-01051B-02-0666

INC.'S APPLICATION FOR

INTERVENTION

OWEST'S RESPONSE TO WORLDCOM.

Arizona Corporation Commission

NOV 04 2002



QWEST CORPORATION

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Attorneys for Qwest Corporation

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BEFORE THE ARIZONA CORPORATION COMMISSION

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11 IN THE MATTER OF QWEST
COMMUNICATIONS INTERNATIONAL
12 INC.'S OWEST SERVICES

INC.'S, QWEST SERVICES CORPORATION'S, AND OWEST

CORPORATION'S NOTICE OF SALE,

14 REQUEST FOR WAIVER, OR

APPLICATION FOR APPROVAL OF THE SALE OF THE ARIZONA OPERATIONS OF

OWEST DEX, INC.

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this matter by WorldCom, Inc. ("WorldCom"), on October 25, 2002 ("Application"). Arizona

Owest Corporation ("Owest") hereby responds to the Application for Intervention filed in

Pursuant to Arizona Administrative Code ("A.A.C.") R14-3-105, intervention may be

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law does not authorize intervention by WorldCom. The Application, therefore, should be denied.

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granted only if the applicant for intervention demonstrates that its interests are "directly and

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substantially affected" by the proceeding. The rule further provides that "[n]o application to

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intervene shall be granted where by so doing the issues theretofore presented will be unduly

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broadened" Id. In an apparent attempt to satisfy these regulatory standards, the Application

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summarily concludes that WorldCom's request for intervention satisfies the requirements of

FENNEMORE CRAIG
PROFESSIONAL CORPORATION
PHOENIX

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A.A.C. R14-3-105. Such conclusory allegations are insufficient to provide a basis for granting intervention. *See also* Rule 7(b), Arizona Rules of Civil Procedure (requiring such motions to state with particularity the grounds on which intervention is sought).

The Application further states that:

1. WorldCom's regulated subsidiaries entered into interconnection agreements with Qwest, the provisions of which require Qwest to provide certain directory listing service.

Application at 2.

WorldCom's reliance on its status as a competitor and customer of Qwest as the basis for its claim that it may be affected by this docket does not create a legal interest that justifies intervention. First, WorldCom purchases unbundled network elements and interconnection services from Qwest through its interconnection agreement with Qwest. The prices WorldCom pays for such services are not affected by the directory imputation incorporated in the current Price Cap Plan. The A.A.C. R14-2-803 notice filed by Qwest Communications International, Inc. ("OCI"), Owest Services Corporation ("OSC"), and Owest does not raise any issues relating to the provision of wholesale services by the regulated public service corporation. To the contrary, the application clearly demonstrates that the regulated operations of Qwest will be unchanged by the proposed sale. Specifically, the sale will not result in: (1) increased capital costs to Qwest; (2) additional costs allocated to the Arizona jurisdiction; or (3) a reduction of Owest's net operating income. The sale will not impair Qwest's financial status, prevent Qwest from attracting capital at fair and reasonable term, or impair its ability to provide safe, reasonable and adequate service. In short, Qwest's corporate structure and its operations in Arizona will be unaffected by the sale.

Further, to the extent that WorldCom has interconnection agreements arbitrated under the Telecommunications Act of 1996 (the "Act") with Qwest governing the provision of directory service, these agreements are not at issue in this docket. To the extent that it has agreements with

Owest Dex, these agreements are also unaffected by this docket. Once again, WorldCom does 1 not make any showing that there is a connection between compliance with Section 251 of the Act. 2 its interconnection agreements, and approval of the Dex sale. 3 In these circumstances, WorldCom has not demonstrated and cannot demonstrate that its 4 legal interests may be directly and substantially affected by the sale of Dex's Arizona assets. See 5 A.A.C. R14-3-105. Alternatively, if the Commission is inclined to permit WorldCom's 6 7 intervention, it should limit such intervention to the sole issue of the impact of the Dex sale on WorldCom's interconnection agreements with the regulated entity, Qwest. 8 DATED this 41 day of November, 2002. 9 10 **QWEST CORPORATION** Mark Brown 3033 N. 3rd Street 11 Phoenix, AZ 85012 12 Telephone (602) 630-1181 13 -and-14 FENNEMORE CRAIG 15 16 Timothy Berg 17 Theresa Dwyer 3003 North Central Avenue, #2600 18 Phoenix, AZ 85012-2913 19 Attorneys for Owest Corporation 20 ORIGINAL and 10 COPIES filed this LHN day of November, 2002, to: 21 **Docket Control** 22 ARIZONA CORPORATION COMMISSION 1200 West Washington Street 23 Phoenix, AZ 85007 24 25

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